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FIRST EXPORTS (REFER RON BOLAND-REQUESTED)

NOT TO BE PUBLISHED BEFORE CLEARANCE BY DUNSTAN.

BY MR. R.C. TAYLOR, AGENT GENERAL FOR SOUTH AUSTRALIA

LONDON

IN THE BUOYANT MID-50S, HAROLD MACMILLAN USED TO TELL BRITISH  
MANUFACTURERS THAT EXPORTING WAS FUN.

IN THE GRIM, PRE-DEVALUATION, TRADE CRISES OF THE MID-60S,  
HAROLD WILSON TOLD THEM THEY MUST +EXPORT OR DIE.+

TODAY, MR. HEATH TELLS THEM FLATLY TO EXPORT FOR PROFIT OR  
NOT NOT AT ALL.

IT SEEMS THAT MANUFACTURERS, BOTH BRITISH AND AUSTRALIANS,  
COMMIT THEMSELVES TO EXPORT ADVENTURES WITHOUT THOROUGH MARKET  
RESEARCH, WITHOUT A SOLID UNDERSTANDING OF THE PROCESSES INVOLVED.

WHEN THEIR EXPERIMENTS IN INTERNATIONAL MARKETING FAIL IT  
IS USUALLY BECAUSE THEY HAVEN'T DONE THEIR HOMEWORK.

THERE ARE OTHER POTENTIAL EXORTERS WHO THROUGH IGNORANCE  
OR LACK OF CONFIDENCE ARE CONTENT TO EXIST WITHIN THE VERY  
LIMITED LOCAL MARKET.

A LARGE PART OF MY JOB AS SOUTH AUSTRALIA'S AGENT GENERAL IN  
LONDON IS TO ENCOURAGE <sup>South Aust.</sup> MANUFACTURERS TO LOOK AT OVERSEAS  
MARKETS AND EXAMINE THEIR OWN EXPORT POTENTIAL IN RELATION TO THOSE  
MARKETS.

MY AREA OF RESPONSIBILITY EXTENDS THROUGHOUT EUROPE,  
NORTH AFRICA AND THE MIDDLE EAST--SOME 600 MILLION PEOPLE IN AN  
AREA THE SIZE OF AUSTRALIA.

(MORE)

## SECOND EXPORTS

THAT'S A LOT OF TERRITORY AND A LOT OF PEOPLE BUT LONDON IS A VAST INFORMATION GATHERING CENTRE WHERE WE CAN FIND ANSWERS TO EVEN THE MOST REMOTE PROBLEMS RAISED BY WOULD-BE EXPORTERS.

EXPORT DEALS AREN'T MADE OVERNIGHT.

OFTEN 12 OR 18 MONTHS OF SOLID HARD WORK MUST GO INTO MARKET RESEARCH BEFORE THE FIRST EXPORT SHIPMENT CAN BE MADE.

POTENTIAL EXPORTERS CAN DRAW ON A WEALTH OF INFORMATION.

THE COMMONWEALTH DEPARTMENT OF TRADE AND INDUSTRY PROVIDES ITS OWN EXPERT SERVICES AND THESE ARE BACKED UP BY THE STATES' OWN DIRECTORS OF INDUSTRIAL DEVELOPMENT AND THE NETWORK OF AGENTS GENERAL.

THE PREMIER WANTS THE AGENT GENERAL'S OFFICE TO BECOME +MARKET ORIENTED+ AND WE ARE, SLOWLY, LEARNING THE SKILLS THAT HAVE BEEN PRACTICED IN EUROPE FOR OVER 300 YEARS.

MANY SOUTH AUSTRALIAN MANUFACTURERS SEE THE EUROPEAN ECONOMIC COMMUNITY AS A REAL STUMBLING BLOCK TO THEIR EXPORT ASPIRATIONS.

THEY ARE WALKING AWAY FROM EUROPE AT A TIME WHEN THEY SHOULD BE INVESTIGATING WAYS AND MEANS OF ADAPTING THEMSELVES TO THE CHANGING PATTERNS OF TRADE THERE.

OBTAINING THERE MAY BE DANGERS IN THE CHANGING TARIFF SITUATIONS BUT THIS IS WHERE PAINSTAKING MARKET RESEARCH COUNTS.

(MORE)

### THIRD EXPORTS

SOUTH AUSTRALIA HAS A HEALTHY ECONOMY BY ANY STANDARD BUT FUTURE PROSPERITY NEEDS WORK AND PLANNING.

A RECENT SURVEY SHOWED THERE IS A LOT OF ROOM FOR BOTH.

IT EXAMINED THE EXPORT POTENTIAL OF 217 MANUFACTURERS AND DISCOVERED THAT 118 OR 54 PER CENT HAD LITTLE OR NO EXPORT MARKETS.

MOST OF THE COMPANIES HAD THE CAPACITY FOR EXPORT BUT THEIR ATTENTION WAS FOCUSED ENTIRELY WITHIN THE NARROW CONFINES OF THE LOCAL MARKET.

THESE ARE THE COMPANIES WE WANT TO ASSIST.

SIMPLY WAITING FOR EXPORT ORDERS ACHIEVES NOTHING.

WE HAVE TO GET THESE COMPANIES USED TO THE GREAT SIZE OF THE INTERNATIONAL MARKET-PLACE.

FINDING THE MONEY FOR THESE EXPORTS IS ANOTHER AREA WHERE THE AGENT GENERAL'S OFFICE CAN HELP.

MONEY CAN BE FOUND FOR VIABLE EXPORT EXPANSION THROUGH THE USE OF SERVICES ALREADY ESTABLISHED IN THE BUSINESS, THROUGH MERCHANT BANKS, THE COMMONWEALTH EXPORT PAYMENTS INSURANCE CORPORATION, EXPORT FINANCE HOUSES AND CONFIRMING HOUSES.

MONEY IS ALSO AVAILABLE THROUGH OVERSEAS CORPORATIONS WHO INVEST CAPITAL AND HANDLE EXPORTS IN SPECIFIED AREAS.

SOME OF THESE ARE MULTI-MILLION DOLLAR GROUPS ANXIOUS TO EXPAND NEW MARKETS IN RELATIVELY UNDEVELOPED AREAS.

(MORE)

#### FOURTH EXPORTS

THE AGENT GENERAL'S OFFICE IN LONDON HAS CONTACT WITH ORGANISATIONS SKILLED IN THIS TYPE OF MARKET.

VERY LARGE INTERNATIONAL COMPANIES OFTEN USE THIS TYPE OF SERVICE TO INCREASE MARKET PENETRATION AND MAKE USE OF EXPERTISE NOTNOT AVAILABLE TO THEM WITHIN THEIR GROUP.

THIS SORT OF DEVELOPMENT OFTEN INCLUDES AN ADDITIONAL SPIN-OFF IN EXPERTISE AND TECHNOLOGY NOTNOT GENERALLY AVAILABLE TO AN EXPORTING COMPANY.

WE MAINTAIN CONTACT WITH ALL BUT A FEW OF THESE GROUPS IN EUROPE.

OTHER CONTACTS DEVELOP WITH SMALLER COMPANIES INVOLVED WITH THE MAIN GROUPS AND OFTEN COMBINATIONS OF THESE COULD DEVELOP INTO JOINT VENTURES OR AGREEMENTS TO MANUFACTURE UNDER LICENCE.

WE HAVE DEVELOPED A BROAD CONCEPT OF THE NEEDS OF SOUTH AUSTRALIAN INDUSTRY AND THIS HELPS US TO HELP PROSPECTIVE EXPORTERS.

THERE IS A STAGGERING AMOUNT OF INFORMATION AVAILABLE TO POTENTIAL EXPORTERS AND THEY HAVE ONLY TO ASK FOR OUR HELP.

BUT TOO OFTEN BUSINESSMEN CONTACT US TOO LATE FOR OUR FACILITIES TO HAVE BEEN OF ANY REAL USE IN THEIR SEARCH FOR NEW MARKETS.

SOMETIMES WE FIND BUSINESSMEN ARE NOTNOT PREPARED TO VENTURE INTO EUROPE BECAUSE THEY SUSPECT THEY WILL HAVE PROBLEMS WITH THE LANGUAGES.

(MORE)

## FIFTH EXPORTS

OFTEN THE MIDDLE EAST WILL BE LEFT OFF THE ITINERARY BECAUSE THE BUSINESSMEN DO NOTNOT KNOW WHERE THEIR PARTICULAR OPERATION FITS INTO THE MARKET AREA.

IF WE ARE ASKED FOR HELP ABOUT 12 MONTHS BEFORE THE ACTUAL TRIP WE CAN HELP ARRANGE CONTACTS AND PROVIDE BACKGROUND AND STATUS REPORTS WHICH SHOULD MAKE THE EXPORTER FAMILIAR WITH ALMOST EVERY ASPECT OF HIS NEW MARKET.

WE HAVE LINKS WITH INTERNATIONAL CHAMBERS OF COMMERCE AND INDUSTRY, TRADE AND BANKING ORGANISATIONS AND TRADE COMMISSIONERS WHICH CAN PROVIDE UP TO DATE FACTS IN PARTICULAR AREAS.

CUSTOMS REGULATIONS CAN BE CHECKED OUT IN THE SMALLER COUNTRIES TOGETHER WITH CREDITABILITY AND PAYMENT TERMS, FINANCIAL RULES, AND GUIDELINES.

THE EXPORTERS CAN HAVE ACCESS TO OUR TRADE COMMISSIONERS REPORTS THAT COVER SPECIFIC INDUSTRIES AND TAKE MUCH OF THE GUESSWORK OUT OF BUSINESS TRIPS.

WE CAN ALSO SUGGEST MANUFACTURE UNDER LICENCE PROCEDURES AND THE VARIOUS METHODS THAT CAN BE DEVELOPED.

THIS APPLIES PARTICULARLY IF THE EXPORTERS EXISTING PLANT CAN BE GEARED TO THE MANUFACTURE OF NEW PRODUCTS NEEDED IN THE MARKET.

(MORE)

## SIXTH EXPORTS

IT ISN'T HARD TO EVALUATE WHAT IMPORTING COUNTRIES NEED.

THE FINAL DECISION TO ENTER A FIELD WILL BE BASED ON CO-ORDINATION OF THE SOURCES OF INFORMATION AND AN EVALUATION OF COST STRUCTURES.

TECHNOLOGY CAN OFTEN BE BOUGHT OR LICENSED.

THE CHANGING CIRCUMSTANCES IN WORLD TRADE MAKE IT DIFFICULT FOR SOME COUNTRIES TO MAINTAIN MARKETS, ESPECIALLY WHEN CHANGING COST STRUCTURES PRICE THEM OUT.

BUT THIS MAKES IT POSSIBLE FOR AUSTRALIAN BASED COMPANIES TO COMPETE IN AREAS LIKE THE MIDDLE EAST.

OUR ADVICE TO POTENTIAL EXPORTERS IS NOT NOT TO WAIT FOR SOME OVERSEAS GROUP TO MAKE THE APPROACH.

GO LOOKING FOR OPPORTUNITIES.

ASK THE DIRECTOR OF INDUSTRIAL DEVELOPMENT GUIDANCE.

TALK TO THE SOUTH AUSTRALIAN EXPORTERS ASSOCIATION AND BENEFIT FROM THEIR EXPERIENCE.

AND SOUTH AUSTRALIAN EXPORTERS HAVE SHOWN THAT IT CAN BE DONE.

ONE FOOD MANUFACTURER FOUND THAT EVERY-DAY PACKAGED FOOD COULD BE SOLD IN THE MIDDLE EAST AGAINST STRONG COMPETITION FROM BRITAIN AND EUROPE.

AN EARTH DRILL COMPANY DISCOVERED IT COULD SELL BORING EQUIPMENT IN NORTH AFRICA BECAUSE ITS PRODUCT WAS WELL DESIGNED.

(MORE)

## SEVENTH EXORTS

A PUMP MANUFACTURER FOUND A READY MARKET FOR HIS WELL DESIGNED SOUTH AUSTRALIAN MADE EQUIPMENT IN BRITAIN AND THERE ARE DOZENS OF OTHER EXAMPLES OF SUCCESSFAT EGPORT OPERATIONS.

THE AGENT GENERAL'S OFFICE IN LONDON HAS DEVELOPED A FAST GROWING TRADE LIBRARY WHERE WE ARE GATHERING AT A SINGLE SOURCE DETAILED INFORMATION ON HUNDREDS OF PRODUCTS, AND EXPORT MARKETS.

OF COURSE IT IS IMPOSSIBLE TO KEEP THE LIBRARY EXACTLY UP TO DATE AT ALL TIMES BUT THE CONTINUOUS STREAM OF INFORMATION WE RECEIVE ENABLES US TO DRAW UP AN APPROACH PROGRAMME TAILORED TO THE SPECIFIC REQUIREMENTS OF THE POTENTIAL EXPORTER.

WE CAN ADVISE THE EXPORTER WHAT CONCESSIONS OR DUTY RATE HE CAN OBTAIN BY PART ASSEMBLY OR EVEN PART MANUFACTURE.

DETAILS OF LAND, BUILDING AND TAX CONCESSIONS ARE ALSO AVAILABLE EVEN FOR THE MORE REMOTE AREAS OF THE MIDDLE EAST.

THE AMERICANS HAVE SHOWN THEY CAN SELL SPIN-CUT LAWN MOWERS TO FRANCE USING A PART ASSEMBLY PROGRAMME.

THE NEW ZEALANDERS SELL SIMILAR MOWERS TO CENTRAL EUROPEAN COUNTRIES IN THE SAME WAY.

WE ALSO PROVIDE A PACKAGING ADVICE SERVICE.

(MORE)



## EIGHTH EXPORTS

PACKAGING IS OFTEN ONE OF THE BIGGEST SELLING POINTS AND OUR SERVICE ADVISES ON THE METHODS OF PRESENTATION MOST ACCEPTABLE IN POTENTIAL EXPORT MARKETS.

EXPORTING INVOLVES NOT ONLY SELLING PEOPLE WHAT THEY WANT BUT PRESENTING IT TO THEM IN THE WAY THEY WANT.

FOR MIDDLE EASTERN MARKETS WE ADVISE THAT INSTRUCTIONS AND DESCRIPTIONS BE PRINTED IN FRENCH AND ARABIC.

THIS SEEMS TO MAKE THE PRODUCTS MORE ACCEPTABLE.

WE CAN PROVIDE BETWEEN 20 AND 30 BROCHURE REPORTS ON ANY ONE COUNTRY WITH THREE OR FOUR REPORTS ON SPECIFIC GROUP PRODUCTS.

ALL THIS INFORMATION COMBINED WITH WELL PLANNED VISITS BY TRADE GROUPS OR INDIVIDUALS USUALLY GUARANTEE SOME SUCCESS.

TRADE COMMISSIONERS IN ALL COUNTRIES ARE AVAILABLE TO SUGGEST METHODS TO IMPROVE RESULTS ON THESE VISITS.

IF YOU'RE A POTENTIAL EXPORTER WITH AN EYE ON THE BRITISH MARKET MY INITIAL ADVICE IS TO GIVE YOURSELF TIME.

EVERYONE VISITS LONDON BUT FEW INCLUDE THE REGIONAL CENTRES WHERE THE ACTUAL BUSINESS IS DONE.

WOULD-BE EXPORTERS MUST COME ABROAD ARMED WITH THEIR COST-INSURANCE-FREIGHT (C.I.F.) PRICE SCHEDULES.

K AND THEY MUST ALSO HAVE COMPREHENSIVE SALES LITERATURE AND PROMOTIONAL MATERIAL WHICH CAN BE LEFT WITH A POTENTIAL CUSTOMER.

((MORE))

## NINTH EXPORTS

IN LONDON WE ARE CURRENTLY ACTING FOR SOUTH AUSTRALIAN BASED COMPANIES WHO ARE NEGOTIATING LARGE EQUIPMENT AND SERVICE SUPPLY CONTRACTS OUT OF THE STATE WITH U.K. PRINCIPALS.

OUR EFFORTS SAVE THESE COMPANIES THOUSANDS OF DOLLARS ON EXTRA WORK AND UNNECESSARY VISITS OVERSEAS AND AT THE SAME TIME HELPS EXPAND THE STATE'S MANUFACTURING AND SERVICE INDUSTRIES.

THE LONDON OFFICE IS A SOURCE OF INFORMATION FOR NEW PRODUCTS AND PROCESSES AND WE ARE KEPT BUSY SUPPLYING BOTH VISITORS AND DIRECT INQUIRIES FROM SOUTH AUSTRALIA.

WE ALSO PROVIDE A SERVICE WHICH EVALUATES TRADE FAIR INFORMATION.

MORE THAN 250 TRADE FAIRS ARE HELD EACH YEAR THROUGHOUT EUROPE, NORTH AFRICA AND THE MIDDLE EAST.

OUR CONTACTS AT THESE FAIRS ENABLE US TO HAVE SPECIFIC PRODUCTS OR SERVICES EVALUATED WITHOUT BEARING THE COST OF SENDING A STAFF MAN.

BUT WHEN PERSONAL VISITS ARE ESSENTIAL OUR ITINERARY PLANNING SERVICE CAN BE A GREAT HELP.

VISITORS VERY OFTEN RUN OUT OF TIME IN LONDON BECAUSE THEY DON'T ALLOW TWO OR MORE HOURS FOR GETTING FROM THEIR HOTEL TO THE AIRPORT.

OUR ADVICE IS TO ALWAYS SET ASIDE TWO DAYS IN SEVEN AS FREE TIME FOR ADDITIONAL DEVELOPMENTS.

THIS IS THE SORT OF THING OUR STAFF TAKES INTO CONSIDERATION IF WE ORGANISE THE ITINERARY ON THE EXPORTER'S BEHALF.

(MORE)

## TENTH EXPORT

FORWARD PLANNING IS ESSENTIAL ON ANY BUSINESS TRIP BUT ESPECIALLY IN EUROPE WHERE THERE ARE MANY PUBLIC HOLIDAYS THAT CAN EASILY UPSET A SCHEDULE.

CHECK WHAT'S ON BEFORE THE FINAL PROGRAMME IS SET.

THE EXPANSION OF THE EEC IS OFTEN REFERRED TO AS THE END OF TRADE BETWEEN AUSTRALIA, EUROPE AND THE U.K.

THERE CERTAINLY WILL BE SOME DIFFICULTIES, ESPECIALLY FOR GOODS LIKE BUTTER, CANNED FRUITS, DRIED FRUITS, ETC.

AUSTRALIA WILL STILL BE ABLE TO DEVELOP MARKETS IN THE ENLARGED EEC BUT THE WORK NEEDS TO BE STOPPED UP NOW.

A GLANCE AT THE LIST OF EXPORT AWARD WINNERS SINCE 1963 IS DRAMATIC PROOF OF WHAT CAN BE ACHIEVED IN EUROPE. NO ONE WOULD HAVE THOUGHT WE COULD SELL CRYSTAL GLASSWARE TO EUROPE BUT IT IS BEING DONE.

TOO OFTEN SOUTH AUSTRALIAN EXPORTERS TEND TO LOOK FOR NEW PRODUCTS THAT DON'T HAVE TO FACE INITIAL COMPETITION RATHER THAN IMPROVED PRODUCTS AT PRICES WHICH MIGHT MAKE THEM COMPETITORS IN THE MARKET.

OUR PROBLEMS ARE NO DIFFERENT TO THOSE EXPERIENCED BY WELL ESTABLISHED COUNTRIES.

EUROPEAN COMPANIES OFTEN TELL US ABOUT THE FRUSTRATIONS THEY HAVE EXPERIENCED IN THEIR OWN EXPORT DRIVES.

BUT THEY ALSO SPEAK OF THE WAY THIS EXPERIENCE HAS HELPED SHAPE THEIR POLICIES, BRINGING THEM NEW STRENGTH.

(MORE)

## ELEVENTH LAST EXPORTS

THE WORLD TRADE SITUATION TODAY MAKES IT DANGEROUS TO RELY TOO HEAVILY ON ONE AREA OR MARKET FOR PRODUCTS.

IN EUROPE, COMPANIES WITH BROAD INVENTORIES FOUND THEMSELVES UNABLE TO COMPETE WITH OTHERS.

THEY WERE FORCED TO NARROW THEIR FIELDS, AND IMPROVE THEIR TECHNOLOGY BEFORE THEY COULD HOLD THEIR OWN IN THE COMMUNITY.

THE FREIGHT RATE BOGEY IS OFTEN RAISED AS A DETERRENT TO EXPORT BUT OUR ADVISE IS NOTNOT TO ACCEPT THIS UNTIL THE PROBLEMS OF PACKAGING HAVE BEEN FULLY INVESTIGATED.

SOMEWHERE, SOMEONE NEEDS SOUTH AUSTRALIAN PRODUCTS AND IT IS OUR JOB TO HELP YOU FIND THEM.

IT IS IMPOSSIBLE TO WRITE ABOUT ALL THE SOURCES OF INFORMATION AND HELP THAT IS AVAILABLE TO INDUSTRY.

EVERY WEEK WE LEARN ABOUT NEW SERVICES THAT BECOME AVAILABLE, ESPECIALLY WHEN A SPECIFIC INQUIRY IS MADE.

THE SOUTH AUSTRALIAN GOVERNMENT HAS ESTABLISHED A DEVELOPMENT PATTERN AND INDUSTRY SHOULD SUPPORT THE PROGRAMME BY USING THE SERVICES AT ITS DISPOSAL.

WE HAVE A LOT TO LEARN.

THIS IS A BROAD PICTURE OF WHAT IS BEING DONE TO HELP THE SOUTH AUSTRALIAN BUSINESS COMMUNITY.

WE IN LONDON NEED YOUR SUPPORT IF OUR SERVICES ARE TO CONTINUE HELPING THE DEVELOPMENT OF SOUTH AUSTRALIA.

(ENDS)